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DCRA



OFFICE OF CONSUMER PROTECTION

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DCRA CONSUMER ALERT

Department of Consumer and Regulatory Affairs ♦ Office of Consumer Protection

Counterfeit Checks: Don't Be the Biggest Loser!



It's your lucky day! You've just won a foreign lottery! The letter says so. And the check to cover the taxes and fees is included. All you have to do to collect your winnings is deposit the check and wire money to the sender to pay the taxes and fees. You're guaranteed that when they get your payment, you'll get your prize.

There's just one catch: THIS IS A SCAM!

The check is no good, even though it appears to be a legitimate cashier's check. The lottery angle is a trick to get you to wire money to someone you don't know. If you were to deposit the check and wire the money, your bank would soon learn the check was a fake. You'd lose the money you wired and you'd be responsible for the checks you deposited – even if you didn't know they're fake. This is just one example of a counterfeit check scam.

The Federal Trade Commission (FTC) wants you to know that counterfeit check scams are on the rise. Some fake checks look so real that bank tellers are fooled. Scammers use high quality printers and scanners to make the checks look real: they even have authentic looking watermarks and are printed with names and addresses of legitimate banks. But even though the bank and account and routing numbers on a counterfeit check may be real, the check still can be a fake. For more examples of scams visit www.fakechecks.org.

Here's how to avoid a counterfeit check scam

- Throw away any offer that asks you to pay for a prize or a gift. If it's free or a gift, you shouldn't have to pay. Free is free.
- Resist the urge to enter foreign lotteries: it's illegal to play by phone or mail, and most of them are fake.
- Never wire money to strangers.
- If you're selling something, don't accept a check for more than the selling price no matter how tempting the offer or convincing the story. Ask for a check for the right amount. If the buyer refuses, return the check and don't send the merchandise.

- If you accept payment by check, make sure it's drawn on a local bank, or a bank with a local branch — so you visit the bank to make sure the check is valid. If that's not possible, call the bank where the check was purchased to ask if it is valid. Get the bank's number from directory assistance or the internet, not from the check or the person who gave it to you.
- If the buyer insists that you wire back funds, end the transaction immediately. Legitimate buyers don't pressure you to use wire transfer services. You have little protection if there's a problem.
- Resist any pressure to *act now*. If the offer is good now, it should be good after the check clears.

Beware of these scam warning signs

- A "notice" that you've *won a lottery, overpayments, love losses or work at home* - by mail, e-mail or phone.
- A cashier's check or US Postal money order.
- A request that you wire all or some of the money to someone.
- Solicitations and business offers from outside the US: Canada, Nigeria, London and Amsterdam are the most common.

Are you a victim?

If you're a victim of a counterfeit check scam, contact the **DCRA's Office of Consumer Protection**. We'll help you report the scam and advise you what to do next. You can also report to these agencies:

The Federal Trade Commission

Visit www.ftc.gov or 1-877-FTC-HELP (1-877-382-4357).

The US Postal Inspection Service

Visit www.usps.gov/websites/depart/inspect or call your local post office. The number is in the Blue Pages of your local phone directory.

Source: Federal Trade Commission For more information, go to www.ftc.gov or www.fakechecks.org